



Housing Executive Board Operating Framework, 2013

	Housing Executive
Title	NIHE Board Operating Framework, 2013
Aim	To ensure Housing Executive Board Members are fully aware of the context in which the organisation operates and the structures within the Housing Executive.
Version	Version 2 for Nov 2013 Board approval (Version 1 withdrawn from October 2013 Board for amendment) Restructures previous NIHE Board Terms of Reference in accordance with new governance guidance issued in April 2013 - "Corporate governance in central government departments: Code of good practice NI".
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1.0 The Board's Role

1.1 Introduction

The Housing Executive has a ten member Board. The role of the Board is to provide effective strategic leadership, direction, challenge, support and guidance to the organisation in support of the Programme for Government (PfG), Ministerial policies, DSD housing strategies, government reforms and the organisation's Mission Statement:

'Working in partnership to ensure that everyone has access to a good affordable home in a safe and healthy community',

The Board will also seek to promote the core values of the organisation, namely:

- Openness and accountability
- Responsiveness to our customers and community
- Fairness and equity
- Valuing and developing staff
- Care for the environment
- Value for money,

together with the Seven Principles of Public Life ([Appendix 2](#)) and the Nine Principles of Public Service Delivery ([Appendix 3](#))

1.2 To this end the Board shall through: -

1.2.1 Strategic Planning & Control

1. establish the overall strategic direction of the NIHE within the policy and resources framework determined by the Minister;
2. oversee the production of a Corporate Plan including determination of key strategic objectives and targets as approved by the Minister;
3. ensure that the organisation fulfils the aims and objectives set out in the organisation's Corporate & Business Plans and promote the economic, efficient and effective use of staff and other resources by the NIHE;
4. ensure DSD is kept informed of any changes likely to impact on the strategic direction of the NIHE or on the attainability of its targets and determine the steps needed to deal with such changes;
5. receive and review up to date financial/managerial information concerning the management of the NIHE; be informed in a timely manner about any concerns about the activities of the NIHE; and provide

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assurance to DSD that appropriate action has been taken on such concerns;

6. appoint, with DSD approval, a Chief Executive to the NIHE and, in consultation with DSD, set performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public monies.
7. oversee performance including financial performance, the efficiency and effectiveness of operations and the quality of services;
8. take due account of risk analyses and performance measures;
9. consider all matters reserved to it under the Board Scheme of Delegations. A list of Matters reserved to the Board for approval may be found at [Appendix 1](#) and in the Housing Executive Standing Orders and Board Scheme of Delegations on the Housing Executive's website www.nihe.gov.uk;
10. ensure the proper delegation of responsibility and accountability for specified matters to individual Non Executive Board members (NEBMs) or Committees of the Board;
11. ensure compliance with the Public Service Values as set out in [Appendix 2](#)

1.2.2 Compliance

1. ensure that any statutory or administrative requirements, including those for the use of public funds, are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with DSD and in accordance with any other conditions relating to the use of public funds and that, in reaching decisions, the Board takes into account all relevant guidance issued by DFP and DSD;
2. demonstrate high standards of corporate governance at all times, including using the independent Audit and Risk Committee to help the Board to address the key financial and other risks facing the NIHE;
3. ensure compliance with Freedom of Information requirements and the Code of Practice on access to Government information.

1.2.3 Sustainable Development

1. operate within the framework of the Sustainable Development Strategy;
2. operate sound environmental policies.

2.0 *The Department for Social Development*

The Minister for Social Development ("the Minister") is answerable to the Assembly for the policies and performance of the Housing Executive including its use of resources and the policy framework within which it operates. The respective roles of the Department and the Housing Executive are set out in the 'Management Statement Financial Memorandum' (MSFM).

3.0 The Role of the Chair

- 3.1 The Chair has particular responsibility for providing effective strategic leadership on matters such as:
- (1) ensuring the formulation of the Board's strategy for discharging its statutory duties;
 - (2) encouraging high standards of propriety, and promoting the efficient and effective use of staff and other resources throughout the organisation;
 - (3) facilitating Board meetings;
 - (4) ensuring that systems are in place to provide NEBMs with accurate and timely information of good quality to allow the Board to consider properly all matters before it;
 - (5) ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the Minister or the Department;
 - (6) representing the views of the Board to the general public;
 - (7) ensuring that the Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Board Members;
 - (8) ensuring that all Members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities. The Chair and other Members of the Board should each have a copy of relevant governance and background material such as:
 - the Corporate Governance Manual and specifically the Board Operating Framework, the Code of Practice for N.I.H.E Board Members and the current Standing Orders and Board Scheme of Delegations;
 - the Housing Executive's current Annual Report & Accounts;
 - the current Corporate and Business Plans;
 - the Treasury's memorandum, 'The Responsibilities of a NDPB Accounting Officer';
 - the Treasury's handbook, 'Regularity and Propriety';
 - the current 'Managing Public Money Northern Ireland', (MPMNI)
 - the document 'Responsibilities of a NDPB Accounting Officer'
 - (9) encouraging new NEBMs to attend the internal induction course and an external formal training course on

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3.1 cont'd

governance in the public sector and the roles and responsibilities of NEBMs of public bodies;

- (10) ensuring individual performance appraisals are carried out with NEBMs annually and that any issues arising are reported to the Board and actioned;
- (11) providing an assessment of performance of individual Board Members, on request, when they are being considered for re-appointment to the Board or for appointment to the Board of some other public body;
- (12) ensuring that a Board effectiveness review is performed annually with independent input at least every three years and that results are actioned;
- (13) ensuring adherence to the 'complain or explain' principle set out in the Corporate Governance Code.

- 3.2 Communications between the Board and the Minister will normally be through the Chair except where the Board has agreed that an individual Board Member should act on its behalf. Nevertheless, an individual Member has the right of access to Ministers on any matter which he or she believes raises important issues relating to his or her duties as a Member of the Board. In such cases the agreement of the rest of the Board should normally be sought.
- 3.3 The Minister will meet the Board at the beginning of the year to set his key priorities for the Board. Should the Board receive an instruction from the Minister responsible for the organisation to take a course of action that the Board believes to be contrary to the responsibilities set out in MPMNI, the Board should through the Chair, seek a written direction from the Minister.
- 3.4 The main point of contact between the Housing Executive and the Department on day-to-day matters will normally be the Chief Executive or another member of staff who is authorised to act on behalf of the Housing Executive.

4.0 Board Membership

- 4.1 The Housing Executive Board consists of ten persons (including the chair and the vice-chair) appointed by DSD, with four Members nominated from the membership of the Northern Ireland Housing Council. Appointments are made in line with the Code of Practice issued by the Office of the Commissioner for Public Appointments.
- 4.2 The Chairman is the designated line manager for Members in relation to all Board matters.
- 4.3 Individual Members shall act in accordance with their wider responsibilities as Members of the Board – namely to:

4.3 cont'd

- comply at all times with the current Code of Practice for NIHE Board Members and with the rules relating to the use of public funds and to conflicts of interest;
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their interests or those of connected persons or organisations;
- declare publicly and to the Board in a timely manner, any interests that may be perceived to conflict with their public duties;
- comply with the Board's rules on the acceptance of gifts and hospitality and of business appointments;
- act in good faith and in the best interests of the NIHE, and
- comply in full with the terms of their appointment as laid out in their appointment letter.

5.0 The Role of the Chief Executive and Directors (the senior management team)

5.1 The Chief Executive has responsibility, under the Board, for the overall organisation, management, and staffing of the Housing Executive and for its procedures in financial and other matters, including conduct and discipline. This involves the promotion by leadership and example of the values embodied in the Nolan Committee's Seven Principles of Public Life ([Appendix 2](#)) and the Nine Principles of Public Service Delivery ([Appendix 3](#)). The Board should support the Chief Executive in undertaking this responsibility.

In cases where the Board may wish to pursue a course of action which the Chief Executive feels is in conflict with his role as Accounting Officer guidance may be found in the MSFM paragraph 3.6.3 and in Section 3.8 of Managing Public Money Northern Ireland (MPMNI).

5.2 The Chief Executive is the Housing Executive's accounting officer. He or she is responsible to the Assembly and the accounting officer of the Department for the resources under his/her control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which he or she is answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; ensuring value for money; for the efficient and effective use of all the resources in their charge and, the organisation, staffing and management of the organisation.

The accounting officer has a responsibility to see that appropriate advice is tendered to the Board on all these matters. Satisfactory performance of these responsibilities is fundamental to the role of the Chief Executive.

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- 5.3 More detailed guidance on the role of an accounting officer is set out in The Responsibilities of a NDPB Accounting Officer. All NEBMs should ensure that they have a copy of this document. The Treasury's handbook, Regularity and Propriety, describes what these concepts mean in a financial context. Although the handbook is intended primarily for accounting officers, NEBMs should also familiarise themselves with it.
- 5.4 The Chief Executive and senior management team are also responsible for notifying the Board of:
- any matters that threaten the regularity, propriety or value-for-money with which the organisation carries out its business;
 - Any significant issues which may impact on the organisation's leadership, medium-term capability and significant risks to delivery of the business, along with mitigating actions taken.
- 5.5 The Matters delegated to the Chief Executive's Business Committee (comprising the Chief Executive, Directors and the Head of Corporate Communications and Secretariat) and, other committees or officers, are detailed in 'NIHE Standing Orders and Board Scheme of Delegations' available on the Housing Executive website www.nihe.gov.uk
- 5.6 Approval of the composition of the Chief Executive's Business Committee is a matter reserved to the Board.

6.0 Board Meetings

- 6.1 The Meetings of the Board shall usually be held monthly at such time and place as the Board may from time to time determine, subject to the provisions of Standing Orders.
- 6.2 All Board Members are expected to attend all Board Meetings including exceptional meetings, away days and training days, such attendance requirements having been notified to Board Members in advance of their appointment to the Board.
- The Chief Executive and Directors shall normally attend all Board meetings but are not Members of the Board.
- 6.3 The Board shall, in conjunction with the Board Secretary, develop a formal comprehensive forward workplan to inform its future agenda.

7.0 Board Papers

- 7.1 The Board shall agree the format and content of relevant papers to be submitted. Board papers shall be submitted on a monthly basis. Any papers not agreed by the Board or not dealt with due to time constraints will be deferred until the next meeting. If the deferred paper is not submitted or considered at the next meeting it shall be recorded on the 'Outstanding Matters' list until appropriate action has been taken.

8.0 Minutes of Board Meetings

- 8.1 Minutes of each meeting of the Board shall be drawn up and entered into a record kept for that purpose.
- 8.2 Draft minutes shall be circulated to NEBMs in accordance with Standing Orders and shall be submitted to the next meeting of the Board for approval.

Publication of Minutes

- 8.3 Once approved by the Board, minutes of Board meetings will be a matter of public record and publicly available on the Housing Executive's website. Matters considered as 'Protected' or 'Restricted' will not normally be available publicly. This is subject to and in accordance with the relevant legislation relating to freedom of information.

9.0 Declaration of Interests

- 9.1 A 'Declaration of Interests Register' shall be kept. NEBMs are reminded of their legal obligations in relation to the disclosure of pecuniary interests. Those obligations are imposed by sections 28, 29 and 146 of the Local Government (NI) Act 1972, as applied to the Board by Schedule 1 of the Housing Order 1981.
- 9.2 Members must also comply with requirements of the Housing Executive's Code of Practice for NEBMs in relation to disclosure of interests. Members must update the Register at least annually, or, as changes occur.
- 9.3 The Declaration of Interests Register shall be reported on once a year in the Housing Executive's Annual Report and shall be made available for inspection on application.
- 9.4 The Declaration of Interests Register shall be reviewed at least annually by the Chairman, Internal Audit, the Head of Procurement, the Director of Finance and the Board Secretary.

10.0 Induction and Training

- 10.1 An induction day will be arranged for new Members as soon as possible following appointment and where possible, in advance of their first Board meeting. Members will be provided in advance of the induction day with a number of key organisational documents and governance information.
- 10.2 Induction will normally cover the organisation's business environment and an introduction to each of the operational divisions. New members will be apprised of their role and responsibilities as NEBMs and given clear information as to what is expected of them in the interests of good governance what is expected in terms of good corporate governance.
- 10.3 Additional internal developmental training on 'Finance for NEBMs' and 'Human Rights and Equality' will be provided following appointment and

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Members are encouraged to identify any additional training needs they feel necessary to carry out their duties as a Board Member.

- 10.4 Within 6 months of appointment Members, will be asked to attend a formal external governance training course.

11.0 Board Effectiveness

- 11.1 The Board shall take time at least annually, to review its operating procedures and its effectiveness, with emphasis on relationships, documentation and the Board's capacity to challenge. Participation in this review shall be compulsory for all Members.
- 11.2 The annual effectiveness review will also consider the current mix and balance of skills and understanding on the Board
- 11.3 Evaluation of each Member's performance shall be undertaken annually by the Chairman in conjunction with each individual Board Member. The opportunity will also be taken to identify any training or development needs appropriate for individual Members which have not already been identified during the year. A copy of the corporate evaluation report will be sent to the Department once approved by the Board. Participation in the individual appraisal process shall be compulsory for all Members.

12.0 Board Committees

- 12.1 The Board shall establish a Committee or, Committees, to undertake specific functions, as it deems appropriate.

12.2 Audit and Risk Assurance Committee

- 12.3 The Board shall have an Audit and Risk Assurance Committee as a committee of the Board. Members of the Committee will be appointed by the Board on the recommendation of the Chairman.
- 12.4 The Committee shall be chaired by a Board Member who has experience in financial matters, other than the Chairman of the Board.
- 12.5 Membership of the Audit and Risk Assurance Committee shall comprise three NEBMs (including the Chair of the Audit and Risk Assurance Committee) and at least one independent member appointed through the public appointments process.
- 12.6 The responsibilities of the Audit and Risk Assurance Committee will overlap with those of the Accounting Officer. It is envisaged that the Accounting Officer will normally attend all meetings of the Audit and Risk Assurance Committee, unless exceptionally, his or her own performance is being discussed.
- 12.7 The terms of reference of the Audit and Risk Assurance Committee are set out in the Housing Executive Corporate Governance Manual available on our website www.nihe.gov.uk

13.0 Review of Board Operating Framework

- 13.1 The Board shall review its Operating Framework at least every two years or sooner if changes are necessary in the interim.

14.0 Secretariat support

- 14.1 A full Board secretariat support will be provided by the Board secretary and the Housing Executive's secretariat.
- 14.2 An effective Board secretary is essential for an effective Board. Under the direction of the Permanent Secretary, the Board secretary's responsibilities should include:
- developing and agreeing the agenda for Board meetings with the Chair, ensuring all relevant items are brought to the Board's attention;
 - ensuring good information flows within the Board and its committees and between senior management and NEBMs, including:
 - challenging and ensuring the quality of Board papers and Board information;
 - ensuring Board papers are received by NEBMs according to a timetable agreed by the Board;
 - providing advice and support on governance matters and helping to implement improvements in the governance structure and arrangements;
 - advising and assisting the Board in following due process;
 - providing assurance to the Board that the organisation adheres to the Code's principles and supporting provisions on a 'comply or explain' basis (which should form part of the report accompanying the resource accounts);
 - acting as the focal point for interaction between NEBMs and the senior management team, including arranging detailed briefing for NEBMs and meetings between NEBMs and officials, as requested or appropriate;
 - recording Board decisions accurately and ensuring action points are followed up; and
 - arranging induction and professional development of NEBMs.
- 14.3 Evaluations of the performance of individual NEBMs should show whether each continues to contribute effectively and corporately and demonstrates commitment to the role (including commitment of time for Board and committee meetings and other duties).

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- 14.4 The Board should agree and document an appropriate system to record interests and manage conflicts and potential conflicts of interest of NEBMs. The Board should publish, in its Governance Statement, how any identified conflicts of interest, and potential conflicts, of NEBMs have been managed.

Appendix 1 - Matters Reserved to the Board

Statutory schemes

- (1) Approval of the terms of any draft or amended draft of:
 - a. House Sales Scheme.
 - b. Emergency House Repairs Scheme.
 - c. Housing Selection Scheme.
 - d. Scheme for the Purchase of Evacuated Dwellings.
 - e. Schemes under the Northern Ireland Act 1998.
 - f. The Rent Scheme.
 - g. HMO Registration Scheme
 - h. All other statutory schemes not mentioned above.

Governance

- (2) Approval of Standing Orders and of a schedule of matters reserved to the Board.
- (3) Approval of a scheme of delegation of powers from the Board to officers.
- (4) Approval of governance policy changes including those relating to the dossier of controls.
- (5) Approval of framework document and of any modifications to it.
- (6) Approval of staff code of conduct.
- (7) Establishment of Board committees.
- (8) Approval of the Board's Operating Framework and Board Code of Practice and of any modifications to these documents.
- (9) Continuous oversight of the activities of the Executive, by means of the receipt of such reports, of committees and officers as the Board sees fit. In particular, all monitoring returns to Government and to other public bodies shall be reported, at least in summary, to the Board.
- (10) Approval of the terms of:
 - a. Appointments and promotions procedure.
 - b. Disciplinary procedure.
 - c. Redeployment procedure.
 - d. Redundancy procedure.
 - e. Premature retirement/early retirement scheme.
 - f. Employment equal opportunities policy.

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g. Whistleblowing Policies.

- (11) The appointment of the Chief Executive and other Directors.
- (12) The appraisal, disciplining and dismissal of a Chief Executive.
- (12A) Approval of the composition of the Chief Executive's Business Committee
- (13) Approval of the performance-related element of the Chief Executive's pay.
- (14) Approval of any substantial organisational restructuring.

Policy, strategy, plans, budgets and risk register

- (15) Development and review of key policies as deemed appropriate by the Board.
- (16) Definition of the strategic aims, objectives and key results areas of the Executive.
- (17) Approval of the Corporate Plan and Business Plan.
- (18) Approval of the revenue and capital budgets.
- (19) Approval of the Board Risk Register.

Land & Property issues (excluding Social Housing Development Programme)

- (20) Acquisition, disposal (including sale) of any asset exceeding £500,000.
- (21) Approval of applications for all vesting orders.
- (22) Declarations of Urban Renewal Areas, of proposed redevelopment areas, of Housing Action Areas, of clearance areas and of rehabilitation schemes; and extensions and cancellations of such declarations.
- (23) Approval of the transfer of Executive stock to registered housing associations and social landlords.
- (24) Approval of the Undeveloped Land Schedule (ULS).

Housing issues

- (25) Approval of the delegation of housing management functions to external bodies.

Financial arrangements

- (26) Approval of financial regulations.
- (27) Approval of banking arrangements including the opening or closing of any bank or investment account (other than joint deposit receipts in conveyancing transactions).
- (28) Approval of the Executive's Counter Fraud Policy and Response Plan.

Audit arrangements

- (29) Approval of audit arrangements, receipt of reports of Audit and Risk Assurance Committee meetings and the taking of any appropriate action.

Annual reports and accounts

- (30) Consideration and approval of the Executive's annual report and accounts and of associated accounting policies.

Approval of expenditure

- (31) Generally, the Annual Budget approval by the Board provides authority to incur all expenditure specified within the Budget (subject to the requisite CXBC and other delegations as appropriate), subject to the following which require separate Board approval.
- (32) Whenever such expenditure on a particular heading or programme (e.g. procurement strategy for response, grounds and planned maintenance, IT services) requires to be tendered, then the authority to incur such expenditure (i.e. before being tendered) will require specific Board approval where the value is in excess of £1,000,000. Approval by the Board of the successful tender will only be required when the tender amount varies from the value originally approved by the Board by less than or more than 10%.
- (33) Where proposed expenditure exceeding £1,000,000 on a heading or programme has not specifically been provided for in the approved Annual Budget, then the authority to incur such expenditure must be approved by the Board. If such expenditure requires to be tendered and the successful tender amount varies from the value originally approved by the Board by less than or more than 10%, then a further Board approval will be required.

Other contracts

- (34) Approval of successful tender for banking services.

Financial/other assistance to external bodies & groups

- (35) Approval of financial and other assistance to voluntary organisations concerned with homelessness, if the value of the assistance to a particular recipient (in cash and/or in kind) exceeds £100,000 in any financial year.
- (36) Approval of financial assistance to housing associations, charities and/or other approved bodies towards the provision of, or facilitating the carrying out of, works or services for owners or occupiers of any dwellings, if the value of the assistance to a particular recipient (in cash and/or in kind) exceeds £100,000 in any financial year.
- (37) Approval of financial assistance to voluntary organisations/bodies and to community groups if the value (in cash and/or in kind) of the assistance to a particular recipient (in cash and/or in kind) exceeds £100,000 in any financial year.

Supporting People

- (38) Approval of funding to service providers, pursuant to the Housing (Support Services) Order 2002, if the value (in cash and/or in kind) of the assistance to a particular recipient (in cash and/or in kind) exceeds £100,000 in any financial year.

Social Housing Development Programme

- (39) Approval of the annual Social Housing Development Programme, pursuant to the Housing (Amendment) (Northern Ireland) Order 2006.

Appendix 2 - The Seven Principles of Public Life

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

Holders of the public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.

Leadership

Holders of public office should promote and support these principles by leadership and example.

Appendix 3 – The Nine Principles of Public Service Delivery

Set standards of service

Set clear standards of service that users can expect; monitor and review performance; and publish the results, following independent validation wherever possible.

Be open and provide full information

Be open and communicate clearly and effectively in plain language, to help people using public services: and provide full information about services, their cost and how well they perform.

Consult and involve

Consult and involve present and potential users of public services, as well as those who work in them; and use their views to improve the service provided.

Encourage access and promotion of choice

Make services easily available to everyone who needs them, including using technology to the full, and offering choice wherever possible.

Treat all fairly

Treat all fairly; respect their privacy and dignity; be helpful and courteous; and pay particular attention to those with special needs.

Put things right when they go wrong

Put things right quickly and effectively; learn from complaints; and have a clear, well publicised, and easy-to-use complaints procedure, with independent review wherever possible.

Use resources effectively

Use resources effectively to provide best value for taxpayers and users.

Innovate and improve

Always look for ways to improve the services and facilities offered.

Work with other providers

Work with other providers to ensure that services are simple to use, effective and co-ordinated, and deliver a better service to the user.